

An Affordable Housing Action Plan for Falmouth

Planned Production in accordance with 760 CMR 31.07(1)(i)

Preface

The Affordable Housing Action Plan is designed to create affordable housing for the community without putting undue strain on any given section of the community. It seeks to produce housing with the highest density in areas on the sewer line and within walking distance to shopping, churches, schooling and services. It seeks to set a standard of density and affordability for future 40B developments in the community. To the extent possible, it will provide mechanisms for the purchase of existing housing units and make them affordable.

The Town of Falmouth is making every effort possible to realize an increase in its number of low or moderate income housing units (which are eligible for inclusion on the subsidized housing inventory) by at least $\frac{3}{4}$ of 1% of total units every calendar year until that percentage exceeds 10 percent of our total year-round units. To date, the Town of Falmouth has produced 652 affordable housing units. Since September 2002, 107 affordable units have been produced, which include both home ownership and rental units and comply with the Planned Production regulation.

The affordable housing plan is based upon a comprehensive housing needs assessment (outlined in Section I). This assessment includes an analysis of: the most recent decennial census data of the municipality's demographics and housing stock, various development constraints and limitations, as well as of the municipality's ability to mitigate them; and the municipality's infrastructure.

The affordable housing plan addresses the matters set out in the guidelines adopted by the Department of Community Housing and Development in Section II including:

- a. A mix of housing stock, such as rental and homeownership opportunities for families, individuals, persons with special needs, and the elderly, that are consistent with local and regional needs and feasible within the housing market in which they will be situated;
- b. the strategy by which the municipality will achieve its housing goals established by its comprehensive needs assessment; and
- c. a description of the use restrictions which will be imposed on low or moderate income housing units to ensure that each unit will remain affordable long term to, and occupied by, low or moderate income households.

In Section II the affordable housing plan also addresses the following:

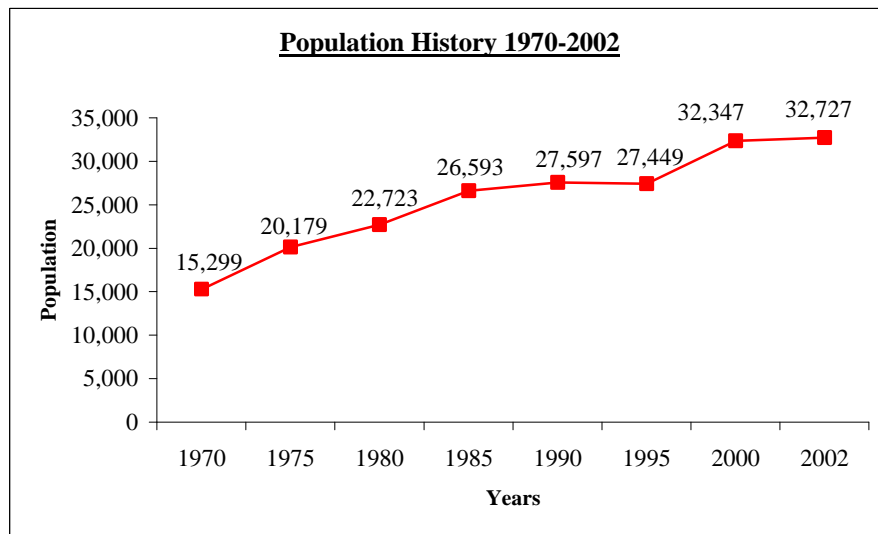
- a. The identification of zoning districts or geographic areas that permit residential uses in which the municipality proposes to modify for the purposes of low and moderate income housing developments;
- b. the identification of specific sites for which the municipality will encourage the filing of comprehensive permit applications pursuant to M.G.L. c. 40B, section 21;

- c. characteristics of proposed developments that would be preferred by the municipality (examples might include cluster developments, adaptive re-use, transit-oriented housing, mixed-use development, inclusionary housing, etc.); or
- d. municipally owned parcels for which the municipality commits to issue requests for proposals to develop low or moderate income housing.

Section I. - Comprehensive Housing Needs Assessment

Section I-1. Demographics & Housing Stock

From 1990 to 2000 the town of Falmouth's total population grew from 27,960 to 32,660, a growth increase of 16.8%, while Massachusetts as a whole grew by only 5.5%. This population increase is consistent with, and continues, the growth trend Falmouth, and the entire Cape, has experienced since the mid-1900's. Falmouth's year-round population has more than doubled over the past thirty years from around 15,000 residents in 1970 to more than 32,000 residents in 2000.

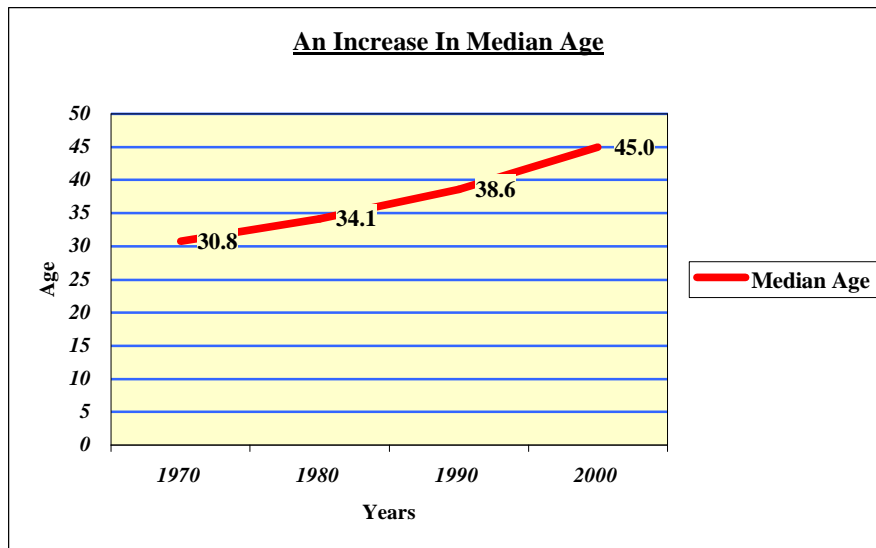


Source: Falmouth Town Census, Town Clerks Office

Since 1990, residents over the age of 65 have had the greatest population percentage increase at 39.2%, as compared to an increase of 9.1% for residents under the age of 18. The substantial increase in residents over the age of 65 has caused Falmouth's median age to rise from 38.6 in 1990 to 45.0 in the year 2000, which is an increase of 16.6 percent.

Table 1. Summary of Demographics

	1990	2000	
Total Population:	27,960	32,660	
Pop. Under 18:	6,202	6,764	
Pop. Over 65:	5,271	7,338	
Median Age:	38.6	45	
Persons per HH	2.42	2.3	Source: US Census



Source: US Census

Household configurations have also changed over the past decade. In 1990 there were 11,274 total households in Falmouth. In 2000, total households numbered 13,859, an increase of 2,585 or 22.9%. Non-family households had the largest numerical and percentage increase. In 1990, non-family households numbered 3,554. By 2000 this number had jumped to 4,883, a 37.4% increase over the 10-year span. Accordingly, average household size decreased from 2.42 in 1990 to 2.30 in 2000, a decrease of 5%. Table 2 summarizes the town's household changes over the past decade.

**Table 2.
Households**

	<u>1990</u>	<u>2000</u>	<u>Change</u>	<u>Percent</u>
<u>Total Households</u> [□]	11,274	13,859	2,585	22.9%
Family Households	7,720	8,976	1,256	16.3%
Non-family Households	3,554	4,883	1,329	37.4%
Average Household Size	2.42	2.30	-0.12	-5.0%
Average Family Size	2.92	2.84	-0.08	-2.7%

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Female/Head of House Hold	1,264	1,404	140	11.10%
Households 65 + Living Alone	1,409	1,947	538	38.20%
House Hold Poverty Status				
All persons	2350	2238	-112	-4.80%
Families	562	407	-155	-27.60%
Female Head of HH	380	189	-191	-50.30%
Persons 65 +	367	442	75	20.40%
Source: U.S. Census				

In 1990 Falmouth had 18,168 total housing units. By 2000 this number increased 1,887 to 20,055, or 10.4%. Owner occupied units increased 33.7% from 8,039 to 10,749. Renter-occupied units actually decreased from 3,235 in 1990 to 3,110 in 2000, a decrease of 3.9%. Vacant housing units showed dramatic decreases. In 1990 Falmouth had 6,894 vacant housing units. By 2000 this number decreased to 6,196, or 10.1%. Seasonal use showed a slight decline from 5,627 to 5,615 or 0.2%. However, otherwise vacant units went from 1,267 in 1990 to 581 in 2000, a drop of 686 units or 54.1%. Homeowner and rental vacancy rates also dropped. In 1990 the homeowner vacancy rate was 4.2%. By 2000 the homeowner vacancy rate was 1%. Rental vacancy fell from 8.3% to 5.7% over the same time period.

Table 3.
Housing Units

	<u>1990</u>	<u>2000</u>	<u>Change</u>	<u>Percent</u>
<u>Total Housing Units</u>	18,168	20,055	1,887	10.4%
Occupied Housing Units	11,274	13,859	2,585	22.9%
Owner Occupied	8,039	10,749	2,710	33.7%
Renter Occupied	3,235	3,110	-125	-3.9%
Median Rent	\$526	\$724	\$198	37.6%
Median Value	\$166,400	\$181,500	\$15,100	9.1%
Vacant Housing Units	6,894	6,196	-698	-10.1%
Seasonal Use	5,627	5,615	-12	-0.2%
Otherwise vacant	1,267	581	-686	-54.1%
Homeowner Vacancy Rate	4.2%	1.0%	-3.2%	na
Rental Vacancy Rate	8.3%	5.7%	-2.6%	na

Source: U.S. Census

The population statistics indicate that Falmouth is an aging community, as evident by the increased median age (45.0 years) and the decreased household size (2.3 persons). Non-family households increased dramatically. The housing statistics also indicate that Falmouth is becoming a more year-round community. Former seasonal and rental homes have been increasingly converted to year-round dwellings. Despite the 16.8% increase in population, rental-housing

units actually decreased over the decade, indicating conversions of these units into condominium or time-sharing units. From this information the need for affordable rental housing, one or two bedroom units, is acute and a priority need for the town. Housing, both rental and home ownership, for Falmouth's 20 to 34 year old age bracket is severely lacking as demonstrated by the 1,610-person decline in residents for this group between 1990 and 2000, which is a decrease of 28.6%. Housing for the younger labor force is a critical need that this Plan attempts to address.

Section I-2. Development Constraints and Limitations as well as the municipality's ability to mitigate them; and an evaluation of the municipality's infrastructure

Cape Cod is a place with fragile coastal ecosystems and resources that are sensitive to development impacts. These coastal resources are one of the primary attributes that make Falmouth, and all of Cape Cod, a desirable location to visit and reside. As pervasive development and its associated impacts continue, so will the erosion of our ecosystems and coastal resources spurring this growth. Therefore, the very nature and vitality of Falmouth's ecosystems and resources should act as development constraints and limitations.

Over the years the Town has attempted to conserve and protect Falmouth's ecosystems, coastal and inland natural resources, freshwater resources and community character through a variety of bylaws, infrastructure improvements and land protection measures, while also accommodating continued residential growth. This conservation, protection and regulation has been administered and executed by different local departments, boards and community groups. Of the impacts associated with development, nutrient inputs from septic systems into coastal estuarine environments have received the greatest attention and have the greatest land use implications.

The condition of our coastal estuaries is a primary concern because the effects of nitrogen enrichment of coastal embayments has resulted in the degradation of water quality to such an extent that once flourishing marine environments of eel grass and shellfish habitat have been reduced to algae mats and depleted oxygen levels. This has resulted in fish kills and fetid organic odors associated with anoxic conditions, eroding the environmental and recreational quality of our water-bodies. The Town's ability to mitigate nitrogen inputs is limited. Only a small percentage of Falmouth is served by the municipal sewer system. Monies to construct new sewers from the Federal and state government disappeared long ago and Town resources are not sufficient to address the nitrogen issue holistically. Advanced nitrogen removing septic systems are used by only a small fraction of the community's housing units and the Town does not have the ability to require advanced treatment for existing homes.

Due to the lack of municipal sewerage and comprehensive nutrient management, the environmental health of the coastal embayments will continue to act as a constraint and limitation on the development of higher density housing. The majority of the Town's zoning allows only single-family dwellings on at least one (1) or more acres, which is designed to limit build-out population and nutrient inputs. The Town does not intend to continue compromising the vitality of its coastal embayments in favor of increased density. Therefore, future sewer expansion and nutrient management will dictate the locale for appropriate higher density development.

Increasing traffic volume and congestion as well as the initiative for open space protection are two additional community issues that directly relate to limitations on the siting of higher density housing. Falmouth's zoning is intentional designed to allow and promote higher density housing in the community's town and village centers, and discourage the dispersion of such housing in the

more rural areas. Guiding higher density housing to centers that offer shopping, employment and schooling can limit traffic impacts, while preserving community character in the outlying areas.

These infrastructure, environmental and land use issues often put the Town in the precarious situation of weighing and negotiating competing public benefits. As the Town's infrastructure, particularly wastewater service is expanded, so too can the land area specifically designated for higher density housing.

Section II. Components of the Plan

Section II-1. Guidelines for the Siting of Multi-Family Housing

The Planning Board, in conjunction with the Board of Selectmen, Zoning Board of Appeals, and Affordable Housing Task Force have collaborated to establish guidelines designed to assist developers, non-profit groups and government agencies in the siting of multi-family housing as well as to serve as an evaluation/analysis for the various Town Boards responsible for ruling on such projects. As stated in Section I-2, multi-family housing (4-8 units/acre in density and including both market and affordable developments) requires more infrastructure and services than dispersed single-family dwellings, and has significant impacts absent this infrastructure.

Services such as sewer lines, schools, public parks/open space, shopping areas and public transportation are important to adequately serve the educational, employment, transportation and wastewater needs of the residents. However, it is also important to site multi-family housing away from areas where higher density housing is detrimental to both the residents and the environment. These locations may include areas in close proximity to industrial activity, landfills, busy intersections, natural resource areas (wetlands, water supply and wildlife habitat) and coastal ponds (absent sewer means).

To balance service requirements and environmental concerns, thereby guiding the location of multi-family developments, the following community attributes and resources should be considered in both the planning and permitting stages of a multi-family development:

In close proximity to (Assets):

- Sewer (on existing or planned sewer lines enabling hookup)
- Public transportation
- Commercial and retail centers (for shopping & employment)
- Business zoning (enabling mixed-use developments)
- Parkland (for active & passive recreation)
- Schools

Not located in or near (Constraints):

- Intense industrial areas
- Major road intersections
- Zones of contribution
- Isolated locations (limited infrastructure or services)
- Undesirable locations (i.e. near power-lines, landfills, highways, etc.)
- Areas currently accommodating multi-family housing (areas of concentration)
- Critical wildlife habitat areas

- Wetland areas
- Coastal Ponds experiencing nutrient loading (moderate to high eutrophic levels)

Additional Considerations:

- Current percentage of affordable housing within the village (planning districts)
- Reuse or redevelopment of an existing site or structure
- Percentage of affordable housing within the development

Section II-2. The Supply of Affordable Housing & the Town's Geographic Districts

The Town of Falmouth has calculated both the total number of, and percentage of, affordable housing units per village/area of town. This was conducted to identify where in the community affordable housing has been established and the percentage of affordable units, per total dwelling units, within each area. These statistics identify:

- The percentage of affordable housing per district/village;
- The districts with concentrations and shortages of affordable housing supply; and
- How the locations of existing affordable housing relate to the multi-family housing guidelines.

By collaborating these statistics with the multi-family housing guidelines, Town Staff and Boards will be better equipped to make informed policy and permitting decisions about our housing inventory, and the future siting and development of affordable and multi-family housing.

The table and bar graph below includes the affordable housing percentages per planning district. The eight (8) Planning Districts are based on the core village areas of Town and have been used by the Planning Office for over 15 years for various studies. The delineation of these districts may not correspond exactly to the village boundaries perceived by the public because they tend to overlap.

Table 4. - Affordable Housing % per Planning District

Planning District	Est. Year-Round Dwelling Units	Affordable Units ¹	% Affordable
East Falmouth	2,450	51	2.09%
Falmouth Village	2,010	330 ²	16.42%
Hatchville	925	3	0.32%
North Falmouth	1,975	24	1.22%
Teaticket	2,325	230 ³	9.89%
Waquoit	1,620	14	0.86%
West Falmouth	1,160	0	0.00%
Woods Hole	1,350	0	0.00%
Totals	13,815⁴	652	4.72%

¹ As defined by Mass. Dept. of Housing and Community Development

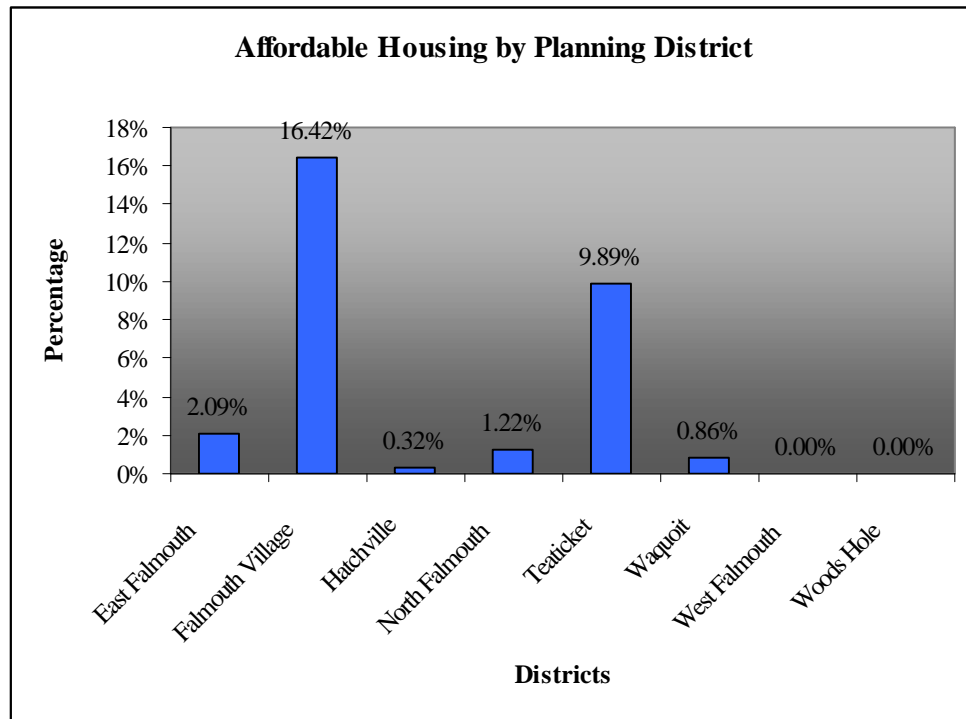
² 90% of the affordable units in Falmouth Village serve the elderly/disabled

³ 36% of the affordable units in Teaticket serve the elderly/disabled

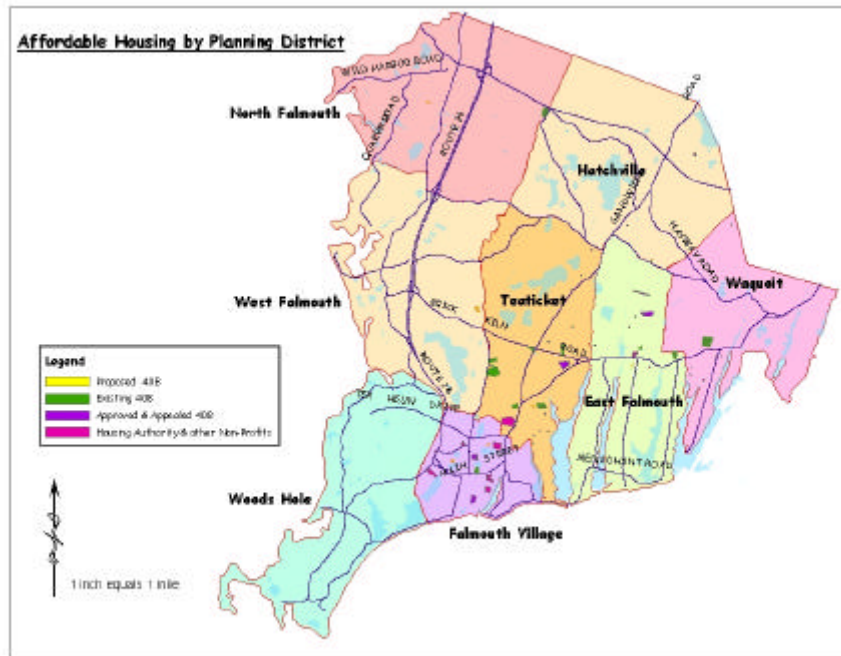
⁴ The existing dwelling units figure is 625 units less than the estimate provided by the 2000 Census figure of 14,440 units. This is a 4.3% discrepancy.

Source: Planning Department, 6/03

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Source: Planning Department, 6/03

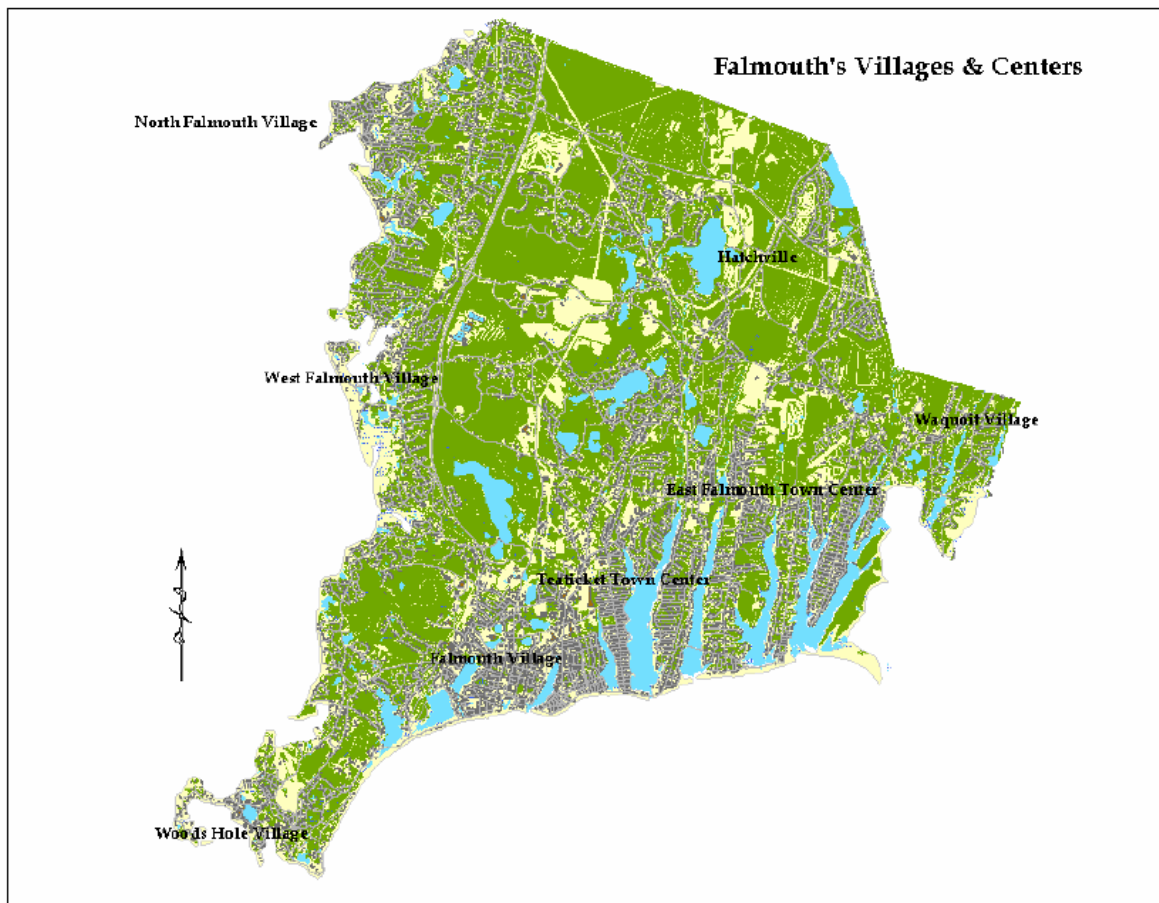


Source: Planning Department

As demonstrated by the above graph and statistics, the supply of affordable housing is not equitably dispersed throughout Town. Some planning district's housing stock consists of 10 or more percent affordable units, while other districts have zero housing units that are considered affordable by Mass. DHCD. This circumstance is primarily due to the variabilities in property

values and developable land that exist throughout town, and not the intentional public or private siting of affordable housing.

In order to address these geographic inequities and disperse the supply of affordable and multi-family housing, Town Staff and Boards in cooperation with private and non-profit developers, intend to utilize the *Guidelines for the Siting of Multi-Family Housing* in conjunction with the statistics shown in Table 4. The permitting authorities will be more receptive to chapter 40B proposals that conform to the *Guidelines* and are located in a *District* with few affordable units, rather than proposals that conflict with the *Guidelines* and are in a *District* with a high concentration of affordable housing.



Section II-3. Existing Zoning Bylaws Used to Encourage Affordable Housing

The Falmouth Zoning Bylaws offer a mix of regulations designed to encourage affordable housing. Article XXVI of the bylaws allows a density increase in a new subdivision of up to 25% if the units are affordable. This is authorized thru the issuance of a special permit. The bylaws also contain provisions for accessory apartments, which are allowed to be established for relatives of the property owner or if they are rented at an affordable rate. This bylaw is thoroughly discussed in Section II-5 below. In addition, the bylaws include a provision for houses in residential districts where an existing house can be converted into up to four dwelling units upon

the issuance of a special permit from the Board of Appeals. General Residence Districts allow two-family dwellings by-right, but also permit three unit multi-family dwellings if at least one is affordable. There are also suspected to be a number of illegal apartments within the Town. The Town of Falmouth has, and will continue to, encourage homeowners having illegal apartments to apply to the Board of Appeals to legalize the units without being penalized, provided that at least **one** of the units becomes a long-term affordable rental or condominium unit.

Section II-4. Zoning Changes

As stated above, the community aspires to establish affordable housing in each *Planning District*. To this end, the town will make additional zoning map and bylaw amendments to encourage affordable housing in each *District*. Future zoning changes may include increasing the amount of General Residence Zoning (mentioned in II-3.) in and around the town/village centers and incorporating an affordable density bonus in mixed-use development/redevelopment. Any zoning changes should be in accordance with, and promote, the elements of the *Guidelines for the Siting of Multi-Family Housing*.

Section II-5. Accessory Apartments.

A recent change to the Falmouth Zoning Bylaws, approved at the November 2002 Town Meeting, allows the Housing Authority and nonprofit groups whose purpose is to provide affordable housing to be eligible to add accessory apartments to their units. By making these housing groups eligible, additional accessory apartments that are long-term affordable can be created. This amendment will enable the Town to increase its supply of affordable housing as well as improve the existing septic systems on these lots. Under the previous zoning by-law, only one of the units must be affordable. If the Housing Authority or a non-profit housing agency were the owner, both units would be affordable and would be deed restricted as such.

Accessory apartments provide an opportunity for first-time home-buyers to purchase a home that can bring an income. The vast majority of affordable home-ownership opportunities in Falmouth during the past few years have come via private 40B developments. The Falmouth Housing Task Force, recognizing the need for and value of affordable home-ownership opportunities, believes any affordable housing action plan should include a provision for home-ownership. When appropriate, some of the home-ownership opportunities will include accessory apartments.

The town also changed its zoning bylaw to allow and encourage that new homes be constructed with an accessory apartment to be deed restricted as an affordable unit or used by a family member, which Falmouth considers to be integral to meeting its affordable housing needs.

Section II-6. Building on Town-owned Land.

The Town of Falmouth owns land that can be used to develop affordable housing. The Housing Action Plan calls for the Town to provide enough land each year on which to create at least fifteen units of affordable housing. Said land could be a single buildable lot or several lots to build several units. It could also be a multi-acre site on which to build multiple units. Under this Action Plan, the Town will provide enough land over the next seven years on which to build 20% of the units needed to attain the 10% goal.

An appropriate guideline for the development of Town-owned land is to limit density to four units and 12 bedrooms per acre except in areas where the development is connected to the sewer

line. All developments on Town-owned land will produce no less than 60% of the units as affordable. Any non-affordable units will be made available to families with a maximum income of 120% of the area median income. Although these units will not count towards the Town's 10%, they will assist in meeting the requirements of Executive Order 418 which mandates communities to produce more housing that would be affordable for families over the 80% of median income.

If overall, Town-owned land produced an average of five units per acre, it would require a total of 39 acres to produce 194 units of housing. The Action Plan calls for the Town to set aside 40 acres of land over the next seven years for the creation of affordable housing.

The Town of Falmouth is in the process of conveying approximately 7 acres of land to the Falmouth Housing Trust. The land was acquired by the Town through a Development of Regional Impact project, whereby the land was set-aside for the Town to create affordable housing. Six three-bedroom single-family dwellings will be created through the Chapter 40B permit process by the Falmouth Housing Trust as a result of the DRI process and the town's conveyance of the land to the Trust.

Two parcels are currently being studied by the Affordable Housing Task Force, as authorized by the Board of Selectmen, for the creation of affordable housing units. Money has been allocated for consultants to study the two parcels and prepare plans for the creation of the housing through the Chapter 40B process.

Section II-7. Project-Based Section 8 Vouchers

The Falmouth Housing Authority, as well as most housing authorities in Massachusetts, has been experiencing difficulty in getting 100% of their Section 8 Vouchers leased.

Under Federal HUD guidelines, 20% of a Housing Authority's vouchers can be used as Project-Based vouchers. Such vouchers carry a requirement that the unit be attached to the voucher for a minimum of ten (10) years. This makes the unit affordable for 10 years and allows the unit to be counted towards the Town's 10%.

The Falmouth Housing Authority has started a Pilot Program with 25 of its vouchers. The Pilot Program has been limited to two landlords who can provide ten or more units. Although the Pilot Program is fairly new, it appears this will be a source of a few additional affordable units.

If the program proves successful, the Housing Authority will attempt to find additional Section 8 vouchers to be used this way.

Section II-8. 40B Developments

Since 1989 the Town of Falmouth has had twenty applications under Chapter 40B. All Chapter 40B permits applied for have been granted which, could result with a total of 140 affordable units. Ninety-eight of the affordable units have been completed. In January 2002 no less than four proposed 40B developments were before the Zoning Board of Appeals. Two 40B developments have been granted to date for the year 2003, with two applications still pending.

It is anticipated that one additional application will be received this year. There is also a Chapter 40A affordable housing development that is finishing the permitting process, and should add 28

rental units to the Town's affordable housing inventory. This development was proposed by a charitable landowner and facilitated by a contract with the community.

Private Chapter 40B developments are providing a needed percentage of affordable housing stock to the community, and the proponents of these projects are generally respectful of the Town's infrastructure, character, environment and citizenry. But as land costs continue to increase, land supply continues to decline and housing becomes more difficult to obtain, private developers will be seeking larger 40B developments with higher densities. A comprehensive and effective Affordable Housing Action Plan provides the best tool for a town to guide and control 40B developments. The density guidelines found below have been established to direct and inform developers of the densities and affordable percentages that are acceptable in Falmouth on various sites. These guidelines, coupled with the Section II-1 *Guidelines for the Siting of Multi-Family Housing*, should dictate the planning, siting and density of 40B developments within the community.

Section II-8a. Private Developer 40B Projects: Density & Affordability

The following guidelines should be considered for future private 40B developments:

1. If the development is proposed on a green-field or underdeveloped site (such as a single-family dwelling) and not located in a town or village center, there shall be no more than 4 units per acre or 8 bedrooms per acre. If such a development is connected to the Town sewer up to 12 bedrooms can be considered. As stated in Section II-1, higher density multi-family housing is most appropriate in, or near, town or village centers. Developments that are proposed in the more rural areas of Town have lower density allowances to lessen the impacts on: traffic and roads, infrastructure, and natural and neighborhood environments.
2. If the project is proposed on a grey-field and is redeveloping a site located in or near a town or village center, there shall be no more than 8 units per acre or 16 bedrooms. If such a development/redevelopment is on a brown-field, requiring environmental clean up or remediation, additional units and bedrooms can be considered given the added cost of the redevelopment. As stated in Section II-1, town or village centers are the appropriate locations for higher density multi-family housing. Chapter 40B developments that are sited in such locations should have higher density allowances than in surrounding locales and should be compensated for redeveloping vacant, idle or underutilized sites.
3. The density guidelines should be used by the developer during project planning and design as well as the Board of Appeals during the permitting process. If the developer offers a proposal with a significantly higher percentage of affordable housing (40 - 60%), the Board of Appeals can use their discretion in reasonably allowing higher densities than limited above. Any increases in units per acre over the allowances in 1 and 2 should be directly related to the number of additional affordable units supplied.
4. If the development occurs in a Coastal Pond Overlay Zone and is not on Town sewer, all of the proposed market-rate units over the site's by-right density (according to the local zoning) shall furnish a de-nitrifying septic system or an alternative form of nutrient loading prevention or mitigation.

Section II-8b. Non-Profit/Housing Authority Developer 40B Projects: Density & Affordability

1. Non-profit or Housing Authority developers of 40B projects are expected to have, as a minimum, 50% of the units as affordable. To the extent financially feasible, non-profit 40B developments are encouraged to supply any units not affordable to families with incomes at or below 80% of the median income to families with incomes between 80% and 120% of the median income.
2. Non-Profit/Housing Authority 40B projects would be subject to the same guidelines as the Private Developers 40B Projects if they limited their affordability to 25%.
3. Non-profit/Housing Authority 40B projects on town-owned land would have a minimum of 75% of the units affordable with the remaining units, if any, affordable to families with incomes up to 120% of median.
4. Preference will be given for the development of town-owned land for affordable housing to local non-profit housing corporations with experience in developing and managing housing and to the Falmouth Housing Authority.

Section II-8c. Incentive 40B Developments

1. In an effort to exert more control over 40B developments and have additional yield in affordable units from them, the Town will develop incentives for developers throughout the term of this Action Plan to accomplish these objectives. Such incentives could include: assistance with treated septic systems, waiving certain fees, extending sewer service, site design, architectural design, construction drawings, etc.

In developing incentives, the Town will also identify and secure grants, low-interest loans, and other sources of revenue with which to pay for the incentives.

The Town may choose to contract for professional services such as architect and design services. Standard architectural and construction drawings could be provided to Chapter 40B developers as part of an incentive program.

When the Town provides architectural and construction drawings to a developer, especially a small developer, the significant cost savings should result in a higher percentage of affordable units. The drawings also provide the Town a way to control building designs in 40B developments. Assistance with treated septic systems, waiving fees, and extending sewer connections are also cost-savings items for a developer and should result in an increased number of affordable units in a Chapter 40B development.

Section II-9. Long-Term Leasing

The Town will enlist the aid of the Falmouth Housing Authority, the Falmouth Housing Corporation, and the Falmouth Housing Trust in securing existing housing in the community for lease under long-term leases at affordable rates. The lease could have automatic rent increases to the owner during the lease period, but the agency would lease it with responsibility for all costs associated with the property, just as if the property were owned by the agency.

With a lease term of 10 years or more, the lease would allow for a deed restriction to be placed on the property for the term of the lease, thereby allowing the unit to count as an affordable unit. The lease would also allow the agency to sub-let the unit to income-qualified families. The lease could also contain provisions for the agency to have the right of first refusal to purchase the property at the end of the lease period, or simply include an agreement to purchase the property at the end of the lease term. Purchasing the property at the end of the lease term could make it affordable in perpetuity at that time.

Section II-10. Deed Restrictions

All affordable units created since **1989** are governed by deed restrictions. The Board of Appeals imposes conditions in its permits that guarantee the long-term affordability of each unit. A monitoring program is required for all Chapter 40B units created to guarantee the creation of the affordable units. The Town of Falmouth will contract with the Housing Assistance Corporation to examine the status of affordable units that were created prior to the imposition of the existing monitoring program to assure that those units remain as affordable.

Section III. - Falmouth Organizations that Address Housing Needs

- Falmouth Housing Authority (FHA)
- Falmouth Housing Corporation
- Falmouth Housing Task Force
- Falmouth Housing Trust
- Habitat for Humanity

In addition to the above listed organizations, the Chamber of Commerce, individual business owners, local scientific institutions, the Falmouth Hospital, and others, are taking measures to provide housing for employees within the town.

Section IV. - Anticipated 12-month Yield from Strategies Listed in Section II

- | | | |
|---|----------|-----------------|
| ▪ Existing Zoning Bylaws Used to Encourage Affordable Housing | | 5 units |
| ▪ Accessory Apartments | | 7 units |
| ▪ Building on Town-owned Land | | |
| Sam Turner Road | 6 units | |
| Cloverfield Way | 2 units | |
| Ward Street | 2 units | 10 units |
| ▪ Project-Based Section 8 Vouchers | | 5 units |
| ▪ Private Developer 40B Projects | | 35 units |
| ▪ Non-Profit/Housing Authority Developer 40B Projects | | |
| Habitat for Humanity | 4 units | |
| Falmouth Housing Corp. | 48 units | 52 units |
| ▪ Long-Term Leasing | | 5 units |

Total anticipated 12-month yield from above strategies: **119 units**

Section V. Plan Evaluation & Adjustments

The strategies outlined in this Action Plan have focused on the accomplishments in creating affordable housing in the Town of Falmouth as well as how the Town plans to create additional affordable housing over the next 12 month period. The anticipated yields are just that, anticipated yields. Some strategies will probably yield more than anticipated and others will yield less. Overall, the Action Plan will yield a minimum of **106** additional units of affordable housing by December 31, 2004.

Although the strategies outlined have focused on the next 12 months, all strategies can be reused in the future as the Town strives to reach 10% within seven years. As land becomes less available and Chapter 40B developments more controlled, purchasing and long-term leasing will become an even more important strategy as the Town moves towards its 10% goal.

The Affordable Housing Action Plan will be evaluated every six months by the Town's Housing Task Force. A report on the results of the evaluation and any recommended adjustments and/or additional provisions to the Plan will be made to the Board of Selectmen. A similar report will be made to the Annual Town Meeting each year until the Town achieves its goal of having 10% of its housing affordable.